NOTIFICATION.

(LAW DEPARTMENT).

No. LAW 42 LCR 65, dated Bangalore, the 26th March 1965.

Ordered that the accompanying Notification No. G.S.R. 183, dated 16th January 1965 of the Ministry of Finance regarding Post Office Savings Banks Rules, 1965 which has been published in the *Gazette of India*, Extraordinary, Part II, Section 3 sub-section (i), dated the 25th January 1965 be republished in the *Mysore Gazette*, for general information.

By Order and in the name of the Governor of Mysore,

H. K. ANANTHASUBBA RAO,
Under Secy. to Govt., L. D.

2822

GOVERNMENT OF INDIA.

MINISTRY OF FINANCE,

(Department of Economic Affairs)

NOTIFICATION.

New Delhi, the 16th January 1965.

G.S.R. 183.—In exercise of the powers conferred by Section 15 of the Government Savings Banks Act, 1873 (5 of 1873), and all other powers hereunto enabling the Central Government makes the following rules, namely :—

1. **Short title and commencement.**—(1) These Rules may be called the Post Office Savings Banks Rules, 1965.

(2) They shall come into force on the first day of March 1965 and shall also apply to all accounts opened before the said date.

2. **Definitions.**—In these rules, unless the context otherwise requires :—

(a) "account" means the account of a depositor in the Post Office Savings Bank ,

(b) "balance" means the balance at credit of an account excluding interest for the current year ;

(c) "Branch Savings Bank" means a Branch Post Office which is functioning also as a Savings Bank ;

(d) "Director General" means the Director General of Posts and Telegraphs ;

(e) "Extra Departmental sub-Savings Bank" means a Sub-Savings Bank in charge of a part time employee .

(f) "Form" means a form set out in the Schedule to these rules ;

(g) "Government Company" means a Government company as defined in section 617 of the Companies Act, 1956 (1 of 1956) ,

(h) "guardian" means a person entitled under the law for the time being in force to have the care of the property of a minor or as the case may be, of a person of unsound mind ;

(i) "Head Postmaster" means an officer in charge of a Head Savings Bank and includes a Deputy Postmaster or an Assistant Postmaster to whom the powers of the Head Postmaster have been delegated ;

(j) "Head Savings Bank" means a Head Post Office, which is functioning also as a Savings Bank but does not include a Head Post Office declared by the Director General to be a Sub-Savings Bank ;

(k) "Local authority" means a Panchayat District Board Municipal Committee (whether known as a Corporation, Municipality or by any other name), body of Port Commissioners or other authority legally entitled to or entrusted by the Government with the control or management of any municipal or local fund ;

(l) " Post Office Savings Bank" means a Head Savings Bank and includes a Sub or Branch Savings Bank ;

(m) " prescribed " means prescribed by the Director General ;

(n) " provident fund" means,—

(i) a provident fund to which the provisions of the Provident Funds Act, 1925 (19 of 1925) apply ;

(ii) a recognised provident fund within the meaning of section 2 (38) of the Income-Tax Act, 1961 (43 of 1961) ; or

(iii) a provident fund established by or under any law for the time being in force ;

(o) " Sub Savings Bank " means a Sub-Post Office which is functioning also as a Savings Bank and includes a Head Post Office declared by the Director General to be a Sub-Savings Bank ,

(p) " year " means the year commencing on the first day of April

3. Types of accounts and matters connected therewith.—The types of accounts which may be opened, the persons by whom such accounts may be opened, and operated upon and other matters connected therewith shall be as specified in the Table below, namely :—

THE TABLE

Type of Account	Who may open	No. of accounts that can be opened	Who may operate on the account
(1) Singie Accounts	(a) A person who has attained the age of majority and who is of sound mind (hereinafter referred to us an adult.	One.	The adult. An illiterate adult may operate on his account through a literate agent nominated by him for the purpose.
	(b) A minor	One.	The minor.
	(c) A guardian on behalf of a minor.	One on behalf of each minor	The guardian during the minority of the minor and thereafter by the ex-miner, provided that if the minor has an account opened by himself, he shall close one of the two accounts on attaining the age of majority.
	(d) A guardian of a person of unsound mind.	One on behalf of each person of unsound mind.	The guardian.

NOTE.—In the case of a person of unsound mind confined in a mental hospital, the Superintendent of the mental hospital may open an account on behalf of the person so confined and operate on it.

Type of account	Who may open	No. of accounts that can be opened	Who may operate on the account
(2) Joint Account	Two adults being persons who do not hold single accounts in their own names payable to (a) both jointly or survivor, or (b) either or survivor.	One	(*a*) Both the depositors jointly or the survivor: (*b*) Either depositor or survivor.

Note.—If one of the depositors dies, the account shall, as from the death of such depositor, be deemed to be a single account in the name of the surviving depositor.

(3) Public Account	A local authority or lawfully constituted association, institution, or other body for the encouragement of thrift or for the mutual benefit of its members.	One in respect of each authority body.	One or two persons authorised for the purpose either jointly or severally at the option of the authority or body.
(4) Security Deposit Accounts	(a) Employees, contractors and agents of Government or quasi-Government bodies or of Corporations or of Government Companies or of Local authorities or of Universities, who are required to deposit security in their capacity as such employees, contractors or agents.	One in respect of each contract or security in addition to an account in his 'personal' name.	The pledgee and the pledger to the extent of the amount authorised by the pledgee.
	(b) Any person who is required to deposit security in connection with the purchase of a Motor vehicle.	One in respect of each Vehicle.	The pledgee and the pledger to the extent of the amount authorised by the pledgee.

Type of account	Who may open	No of accounts that can be opened	Who may operate on the account
(5) Provident fund Account	The Authority controlling the provident fund in the name of the fund or on behalf of its individual members.	One on behalf of the fund or one on behalf of each member.	The authority controlling the Provident Fund or the member on production of letter of authority from the Authority controlling the Provident Fund in the case of an account opened on behalf of the member.
(6) Other Accounts	A Gazetted Government Officer or an officer of a Government company or a local authority in his official capacity or the Reserve Bank of India on behalf of persons or bodies whose moneys are held as deposits or otherwise with such officer or Bank or a Receiver appointed by a Court of Law in respect of moneys received by him as such receiver.	One on behalf of each person or body.	The officer who opened the account or his successor in office.

Note.—There is no maximum limit for deposits or balance in the case of any type of account but in case of single and joint accounts, interest will not accrue on a balance exceeding Rs. 15,000 and Rs. 30,000 respectively.

4. Deposits.—(1) Deposits may be made in any of the following modes, namely :—

(a) Cash ;

(b) surrender of Savings Stamps , and

(c) in the case of deposits at any Savings Bank other than an Extra Departmental Sub savings Bank or a Branch Savings Bank, by surrender of a matured Government of India 5-Year Interest-free Prize Bond, 1965 or by a cheque or other approved instrument.

(2) No account shall be opened with a deposit of less than Rs. 2.

(3) No subsequent deposit shall be less than Re. 1 in the case of cash and savings stamps and Rs. 5 in the case of a cheque or other instrument accepted for deposit.

(4) The date of credit in the account of money deposits by cheque or other instrument shall be the date of encashment and not the date of presentation.

(5) Only a cheque drawn in favour of the depositor or the Postmaster and crossed generally or specially in favour of the Savings Bank concerned shall be accepted for deposit.

(6) Collection charges at a rate to be fixed from time to time by the Director General may be debited to the account for the collection of an outstation cheque, or instrument

5. Acknowledgment of a deposit.—For each deposit the depositor shall be granted a receipt in pass book or in the prescribed form of receipt. Whenever a receipt is granted in the pass book at a Sub or Branch Savings Bank the depositor shall also receive an acknowledgment from the Head Savings Bank, Non-receipt of acknowledgment in proper time or receipt of acknowledgment containing erasures or entries which do not agree with the entry in the pass book should immediately be reported by the depositor to the Postmaster of the Head Post Office, specified in the pass book.

6. Withdrawal.—(1) No withdrawal shall be for a sum less than rupee one.

(2) No withdrawal shall be permitted which has the effect of reducing the balance to less than five rupees.

(3) Withdrawal from an account at a Sub Savings Bank is subject to the condition of availability of funds.

(4) No withdrawal except to the extent of the amount prescribed by the Director-General from time to time shall be allowed from an Extra Departmental Sub Savings Bank or a Branch Savings Bank without prior sanction of the Bank to which it is subordinate.

7. **Withdrawal from an account opened on behalf of a minor or a person of unsound mind.**—A withdrawal shall be permitted, during the minority or lunacy of the depositor on the guardian or Superintendent of the mental hospital, as the case may be, furnishing a certificate in the following form :—

"Certified that the amount sought to be withdrawn is required for the use of ———————— who is a minor/a person of unsound mind/and who is alive this day."

8. **Withdrawal by cheque.**—Withdrawal by cheque may be made at any Head or departmental Sub Savings Bank authorised by the Director General in this behalf and subject to such conditions as may be prescribed by him from time to time.

9. **Interest.**—Interest at the rate, notified by the Government in the official gazette from time to time, shall be allowed for each calendar month on the lowest balance at credit of an account between the close of the sixth day and the end of the month :

Provided that—

(i) interest shall be allowed only on sums of complete rupees and shall be rounded off to the nearest muitiple of five paise and for this purpose any amount of 2.5 paise or more shall be treated as five paise and any amount less than 2.5 paise shall be ignored ,

(ii) no interest shall be allowed on an account for any month in which the balance at credit was below Rs. 25 at any time between the sixth and last date of the month ;

(iii) no interest shall be allowed on an account for any year in which the amount of interest for the year is less than 50 paise;

(iv) no interest shall be allowed on ony single or joint account on any sum in excess of Rs. 15,000 and Rs. 30,000 respectively ;

(v) no interest shall be allowed on a security deposit account after the expiry of three months from the first day of the month in which the amount secured has been withdrawn by the pledgee or the pledgee has authorised repayment of such amount to the pledger, whichever is earlier ;

(vi) no interest shall be allowed on any provident fund account opened in the name of a member after the expiry of six months from the first day of the month in which the order, or as the case may be, the authorisation for the final withdrawal of the balance at credit is issued by the authority controlling the provident fund ;

(vii) no interest shall be allowed on deposits in an account opened in contravention of rule 3.

10. **Pass Books—Presentation for confirmation of the balance.**—Each depositor shall be supplied with a pass book in which shall be entered from time to time the amounts deposited or withdrawn by the depositor. The depositor shall present his pass book once a year as soon as possible after the 31st day of March to the Head Savings Bank or as the case may be, the Sub or the Branch Savings Bank for addition of interest and confirmation of the balance to the credit of the account and obtain a receipt in the prescribed form. Failure to do so or to get the pass book within three months of its handing over may entail the acceptance by the depositor of the balance in the post office ledger as final.

NOTE —Whenever the pass book is handed over to the post office for a purpose other than that of making a deposit or a withdrawal, the depositor shall be granted a receipt in the prescribed form.

11. **Duplicate Pass Book.**—If a pass book is lost, stolen, destroyed or spoilt while in the custody of the depositor, he shall be given a duplicate pass book on his paying a fee of Re. 1 and on completion of inquiries by the Bank. The Head Postmaster may grant exemption from payment of this fee if the pass book has been lost, spoilt or destroyed under circumstances beyond the control of the depositor.

12. **Transfer of an account from one office to another.**—A depositor may have his account transferred free of charge to any Post Office Savings Bank on making an application in the prescribed form subject to such conditions as may be prescribed.

13. **Conversion.**—A single account may be converted into a joint account in the name of the original depositor and another person and a joint account may be converted into a single account in the name of one of the joint depositors in such manner and subject to such conditions as may be prescribed.

14. **Closure** —Final withdrawal on the closure of an account at a Sub or Branch Savings Bank shall be allowed after obtaining the sanction of the Head Savings Bank.

15. **Silent Accounts.**—(1) Where no deposit into or withdrawal from an account has taken place for six complete years, then such an account shall be treated as a silent account.

(2) No transactions shall be allowed in respect of a silent account without the prior sanction of the Head Savings Bank.

16. **Nomination.**—(1) The depositor of an account standing in the name of a single depositor may apply to the Head Sevings Bank of the office at which the account stands, in form 'A' together with the pass book nominating any person or persons who in the event of his death shall become entitled to payment of the amount due on the account:

Provided that no nomination shall be made in respect of an account opened on behalf of a minor or a person of unsound mind.

(2) A nomination made by a depositor under sub-rule (1) may be cancelled or varied by the depositor by submitting an application in form 'B' together with the pass book to the Head Savings Bank of the office at which the account stands.

(3) A fee of 50 paise shall be chargeable on every application for registration of a nomination or of any variation in nomination or cancellation thereof :

Provided that no fee shall be charged on an application for registration of the first nomination.

(4) The nomination or the cancellation or variation thereof shall be effective from the date it is registered in the Head Savings Bank which date shall be noted in the pass book.

(5) If a depositor of an account in respect of which a nomination is in force dies, the nominee or nominees shall make an application in the prescribed form accompanied by the proof of death of the depositor to the Head Savings Bank of the office at which the account stands.

(6) If any of the nominees is a minor, an application shall be made by the person appointed by the depositor under sub section (3) of section 4 of the Government Savings Banks Act, 1873 or if no such person has been appointed, by his guardian.

(7) If any of the nominees is dead, the surviving nominee or nominees shall, in addition to proof of death of the depositor, also furnish proof of death of such nominee.

17. **Supply of Savings Bank ledger copies.**—A depositor may obtain copies of his savings bank account as appearing in the books of the Savings Bank on payment of a fee of rupee one for every thirty entries or part thereof.

18. **Responsibility of the Savings Bank.**—The Post Office Savings Bank shall not be responsible to a depositor for any fraudulent withdrawal by a person obtaining possession of the pass book or a cheque from the depositor.

19. **Recovery of amount paid in excess.**— The Head Savings Bank shall recover any interest or any other amount paid in excess in the same manner as an arrear of land revenue.

20. **Interpretation.**—If any question arises relating to the interpretation of these rules, it shall be referred to the Central Government for a decision.

21. **Repeals and Savings.**—Any rules corresponding to these rules and in force immediately before the commencement of these rules and

the Post Office Savings Banks (Nomination) Rules, 1960, are hereby repealed :

Provided that any action taken under the rules so repealed shall be deemed to have been taken under the corresponding provisions of these rules.

THE SCHEDULE

FORM 'A'

[*See* Rule 16(1)]

INDIAN POSTS AND TELEGRAPHS DEPARTMENT

Serial No.... .....

APPLICATION FOR NOMINATION IN RESPECT OF POST OFFICE SAVINGS BANK

ACCOUNT NO.....UNDER GOVERNMENT SAVINGS BANKS ACT, 1873.

(In the case of an account which stands in the books of a Sub or Branch Savings Bank, the application may be made through the Sub or a Branch Savings Bank)

To

The Head Postmaster

.....

(Through.....).

I,.....,the depositor in respect of Post Office Savings Bank account No .....,.....hereby nominate the person/s mentioned below who in the event of my death, before the closure of the above account, shall be entitled to the payment of the sum due on the above account, to the exclusion of all other persons. I hereby declare that I have not made any nomination in respect of the above account. The Pass Book is enclosed.

Serial No.	Name of the nominee	Full address	Date of birth of nominee in case of minor

As the nominee/s at serial No.....above is/are minor/s. I Appoint Shri/Shrimati/Kumari————————(name and full address) as the person to recover the sum due on the Savings Bank account in the event of my death during the minority of the nominee/s.

Yours faithfully,

Signature (thumb impression if illiterate) of depositor.

Address :
(in case of illiterate depositor, father's name should be given).
Witnesses :
Name
Address
(1)
Name
Address
(2)

N.B.—In the case of illiterate depositors, the witnesses shall be persons whose signatures are known to the Post Office.

Orders of the Head Postmaster.

Signature of the Head Postmaster.

Date Stamp of the
Post Office.

FORM 'B'

[*See* Rule 16 (2)]

INDIAN POSTS AND TELEGRAPHS DEPARTMENT

Serial No.....

APPLICATION FOR CANCELLATION OR VARIATION OF NOMINATION PREVIOUSLY MADE IN RESPECT OF SAVINGS BANK ACCOUNT No.....UNDER GOVERNMENT SAVINGS BANKS ACT, 1873.

(In the case of an account which stands in the books of a Sub or Branch Savings Bank, the application may be made through the Sub or a Branch Savings Bank).

To

The Head Postmaster

.....

(Through.....)

I,....., the depositor in respect of Post Office Savings Bank account No..... .....hereby cancel the nomination made by me in respect of Savings Bank Account No.....

*In place of the cancelled nomination, I hereby nominate the person/s mentioned below who shall on my death, become entitled to the payment of the sum due on the above account to the exclusion of all other persons. The Pass Book is enclosed.

Serial No.	Name of the nominee	Full address	Date of birth of nominee in case of minor

* To be filled in case of variation only.

As the nominee/s at serial No.....is/are minor/s, I appoint Shri/Shrimati/Kumari..... .....name and full address) as the person to recover the sum due on the Savings Bank account in the event of my death during the minority of the nominee/s.

Yours faithfully,

Signature (thumb impression if illiterate) of depositor.

Address.

(in case of af an illiterate depositor, father's name should be given).

Witnesses :

Name (1)

Address (2)

Name

Address

N. B.—In the case if illiterate depositors, the witnesses shall be persons whose signatures are known to the Post Office.

Orders of the Head Postmaster.

Date Stamp of the Post Office.

Signature of the Head Postmaster.

[No. F. 7 (15)-NS/61].

A. R. SHIRALI, Jt. Secy

Printed by the Director of Printing, Stry. & Publications at the Govt. Press, Bloc